

STATE OF NEW JERSEY
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF PARKS AND FORESTRY

PROPERTY LEASE AGREEMENT

This Lease is made and entered into this 17th day of June, 1986 between:

STATE OF NEW JERSEY
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Labor & Industry Building
CN 404
Trenton, New Jersey 08625

hereinafter referred to as the "Department," and

NEW JERSEY WATER SUPPLY AUTHORITY
Post Office Box 5196
Clinton, New Jersey 08809

hereinafter referred to as the "Authority."

WITNESSETH:

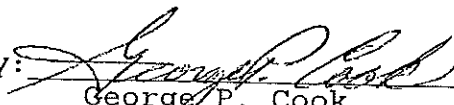
NOW THEREFORE, the Department, in consideration of the benefits to be derived from the transfer of the responsibility for operation and maintenance of the Delaware and Raritan Canal to the Authority, does hereby lease to the Authority all that certain property known as the Delaware and Raritan Canal Transmission Complex, beginning at an intake at Raven Rock on the Delaware River and continuing therefrom approximately sixty (60) miles through the Counties of Hunterdon, Mercer, Somerset and Middlesex to its terminus at the Raritan River in New Brunswick. The property to be leased under this agreement is further described in Schedule A attached hereto and incorporated herein by reference. Said property is also specifically delineated on a series of two hundred and eighty-two (282) topographic maps on file with the Department.

This Lease shall remain in effect for a term of ninety-nine (99) years, from July 1, 1986 to June 30, 2085, and shall be subject to the following terms and conditions:

FIRST -- The Authority shall not use or occupy the leased premises for any other purposes than as a water supply system. In the event the Authority no longer needs the leased premises as a water supply system, or in the event the Authority ceases to exist, then this Lease shall automatically expire, and all rights hereunder shall revert back to the Department.

SECOND -- The Authority shall pay all taxes or assessment, if any, levied against the leased premises.

Prepared by:


George P. Cook
Deputy Attorney General

THIRD -- The Authority shall not assign, sublet or otherwise alienate any portion of the leased premises, which were not previously leased by the Department, unless first approved by the Department and the Delaware and Raritan Canal Commission in writing.

FOURTH -- The Authority shall keep the premises and the buildings and structures thereon in good order and repair.

FIFTH -- The Authority shall not erect or alter any structures, buildings or additions thereto on the subject premises without the written approval of the Department and the Delaware and Raritan Canal Commission.

SIXTH -- The Authority shall not destroy, demolish or remove all or any portion of any structures, buildings or additions thereto on the subject premises without the written approval of the Department and the Delaware and Raritan Canal Commission.

SEVENTH -- The Authority hereby agrees to indemnify and save harmless the Department and the Delaware and Raritan Canal Commission and each and everyone of their officers, agents, servants and employees, and their successors and assigns, from any and all liability, claims and actions related to the subject premises as a water supply facility. This paragraph shall not apply, however, to claims resulting from the maintenance and operation of the subject premises for recreational, historical and environmental purposes.

EIGHTH -- The Authority shall maintain adequate public liability and property damage insurance on the premises leased in an amount approved by the Department and shall name the State of New Jersey, Department of Environmental Protection and the Delaware and Raritan Canal Commission as "Additional Insureds."

NINTH -- The Department shall retain the right to access to and use of all land, facilities and structures within the Transmission Complex related to the historic, natural and recreational use of the Canal for management, maintenance, development and operation of the Canal as part of the Delaware and Raritan Canal State Park.

TENTH -- The Authority may terminate this Lease upon written notice of not less than one (1) month served upon the Department by certified mail or personal service upon the Department at the address hereinafter prescribed. If the Authority should fail to remove any personal property or improvements, lawfully belonging to and removable by the Authority, within the time prescribed by any notice of termination, or before the stated termination of this Lease, the Department may appropriate the same to its own use without allowing any compensation therefore, or may remove the same at the expense of the Authority. In the event that the Authority removes any personal property or improvements, the

Authority hereby covenants to pay any and all damages which may be caused to the property of the Department by this removal.

ELEVENTH -- If the Department permits the Authority to remain in possession of the leased premises after expiration of the Lease, then the Authority shall occupy the premises subject to all terms, covenants and conditions contained in this agreement.

TWELFTH -- The Authority shall deliver up peaceable possession of the demised premises to the Department immediately upon termination of the tenancy hereunder.

THIRTEENTH -- The Department shall not be responsible for any damage to or loss of any of the Authority's equipment or materials placed or stored upon the premises.

FOURTEENTH -- Any waiver by the Department of a breach of any covenant shall not be deemed a waiver of a breach of covenant subsequently occurring.

FIFTEENTH -- In the event that a provision or portion of any provision of this Lease shall be held to be unenforceable, null and void, or violative of public policy, such provision or portion thereof shall be severed from the remainder of this Lease, and the remainder of this Lease shall continue in full force and effect.

SIXTEENTH -- The Authority hereby waives the right of trial by jury in any action, proceeding or counterclaim whatsoever connected with this Lease or any renewal, extension, expiration, termination, amendment or modification hereof.

SEVENTEENTH -- The following addresses shall be used for all notices and communications required by this Lease:

DIRECTOR
DIVISION OF PARKS AND FORESTRY
Labor & Industry Building
CN 404
Trenton, New Jersey 08625

EXECUTIVE DIRECTOR
NEW JERSEY WATER SUPPLY AUTHORITY
Post Office Box 5196
Route 31
Clinton, New Jersey 08809

EXECUTIVE DIRECTOR
DELAWARE AND RARITAN CANAL COMMISSION
Prallsville Mills
P.O. Box 539
Stockton, New Jersey 08559-0539

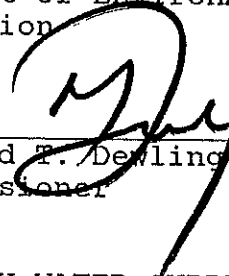
EIGHTEENTH -- The terms and conditions of the "Agreement for the Development, Maintenance and Operation of the Delaware and Raritan Canal Transmission Complex as a Water Supply Facility and for Public Recreation, Conservation and Historic Purposes as part of the Delaware and Raritan Canal State Park," herein attached as Schedule B, and any future amendments thereto, is hereby incorporated into and made a part of this Lease.

NINETEENTH -- This Lease contains the entire agreement between the parties and all negotiations, oral representations and understandings are merged herein.

TWENTIETH -- This Lease shall not be amended, supplemented, changed, modified or altered except upon mutual agreement of the parties hereto in writing and the approval of the Delaware and Raritan Canal Commission.

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease the day and year first above written.

STATE OF NEW JERSEY
Department of Environmental
Protection

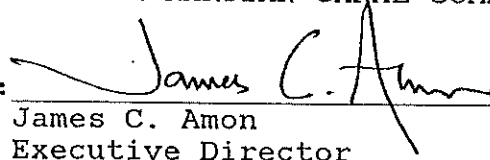
By: 
Richard P. Dewling
Commissioner

NEW JERSEY WATER SUPPLY AUTHORITY

By: 
Recco D. Ricci, P.E.
Executive Director

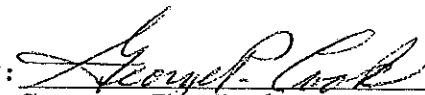
Approved:

DELAWARE & RARITAN CANAL COMMISSION

By: 
James C. Amon
Executive Director

Reviewed and Approved as to Form:

W. CARY EDWARDS
Attorney General of New Jersey

By: 
George P. Cook
Deputy Attorney General

CERTIFICATION

I hereby certify that the terms and conditions hereof were approved on June 17, 1986, by the State House Commission pursuant to the provisions of N.J.S.A. 52:31-1.1 et seq.

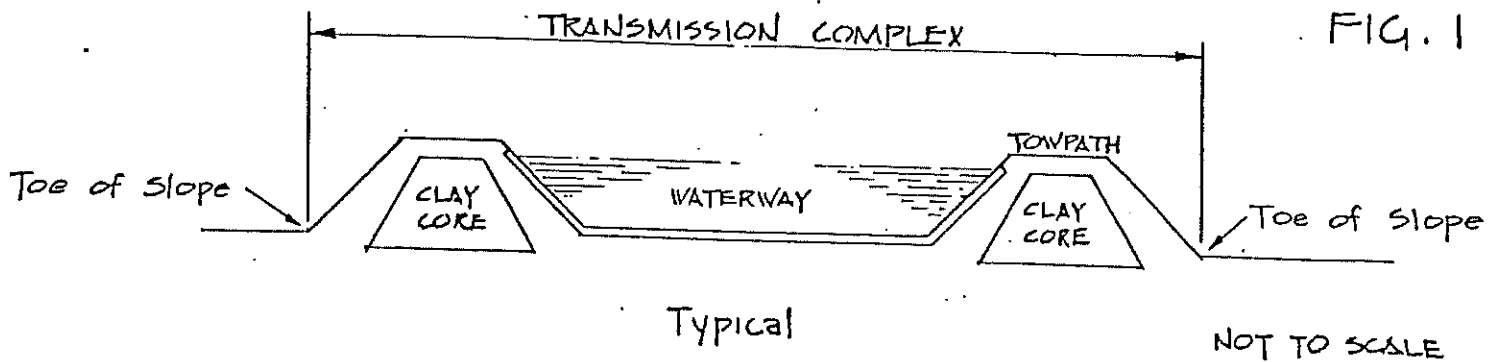

LORI GOLINSKI, SECRETARY

SCHEDULE A

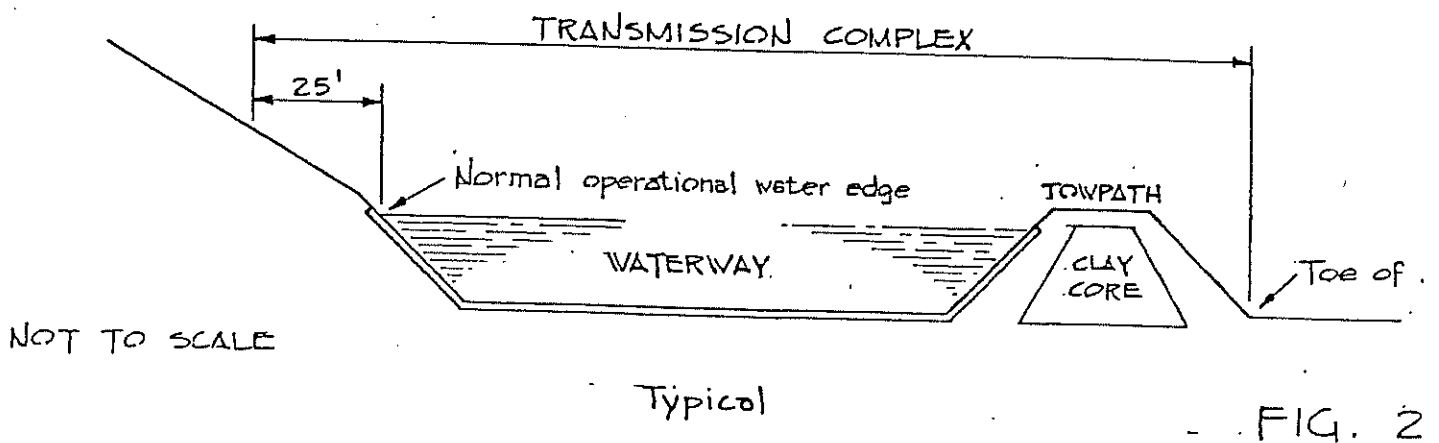
THE D & R CANAL WATER TRANSMISSION COMPLEX -
LANDS TO BE LEASED

Description: The D & R Canal Water Transmission Complex "facilities" shall include the waterway, embankments, flood guard banks, hydraulic and flow control structures, and land necessary to operate and maintain the Canal as a water supply system. The limits of the property "lease line" for the Transmission Complex shall be defined by the following Conditions and Special Conditions and shown on the delineation maps.

Condition I: The D & R Canal Transmission Complex property "lease Line" shall include the waterway and embankments from "toe of slope" to "toe of slope" assuming that it is entirely within State property (fig. 1).



Condition II: Where a "toe of slope" does not exist at one or both embankments then the Transmission Complex property "lease line" shall be limited to a distance of ± 25 feet perpendicular from normal operational water edge on that side(s) (fig. 2, 3, & 4).



Special Conditions: Where any of the following Special Conditions occur before reaching the proposed limit line as described by the preceding Conditions, then the limit of the property "lease line" would end at the applicable closest Special Condition.

- (a) The State property line
- (b) a roadway right-of-way
- (c) the multi-use trail on the abandoned RR line on the non-towpath side, north of Prallsville. (At the request of P & F.)
- (d) 10 feet from a State-owned dwelling unless otherwise indicate on delineation maps (at the request of P & F). (See fig. 6, 7, & 8)

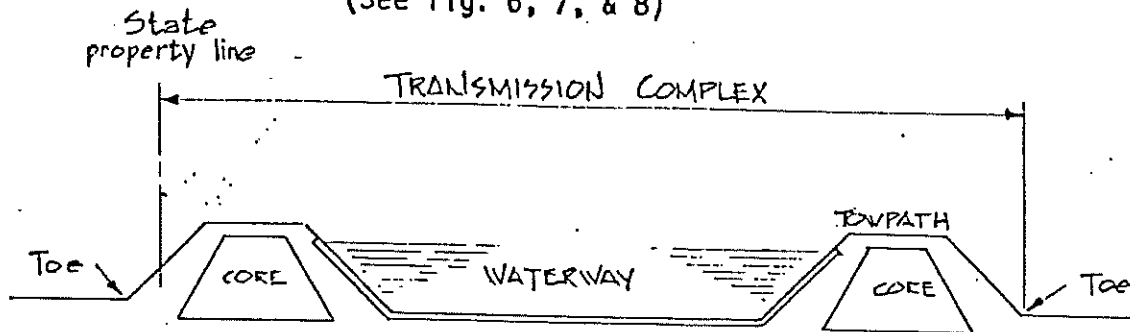


FIG. 6

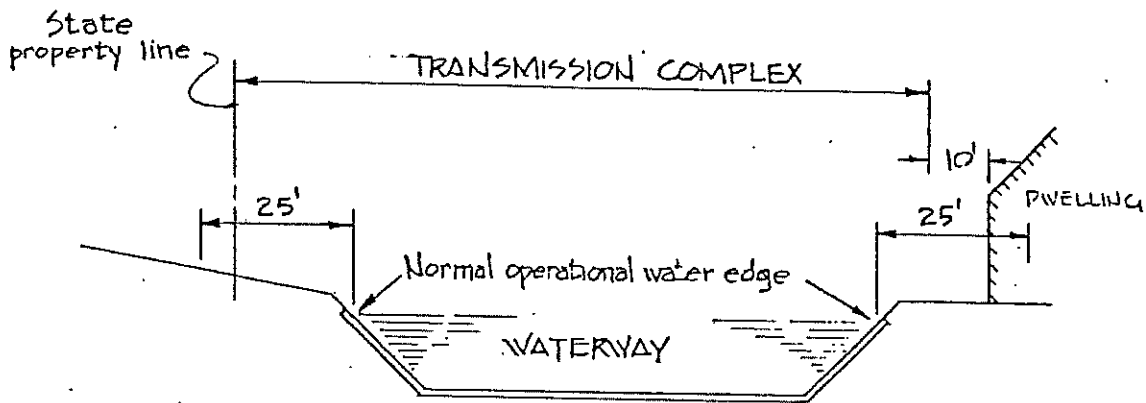


FIG. 7

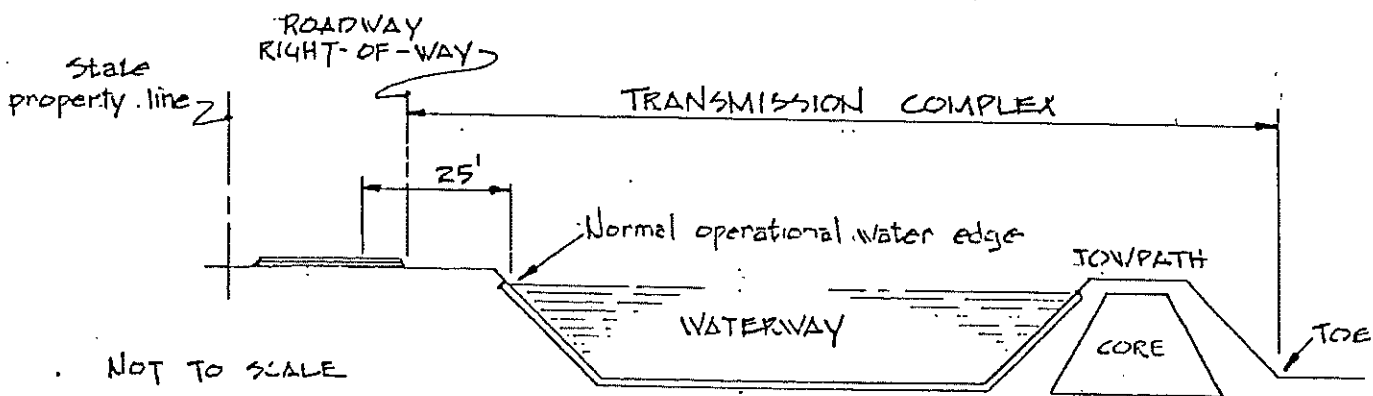


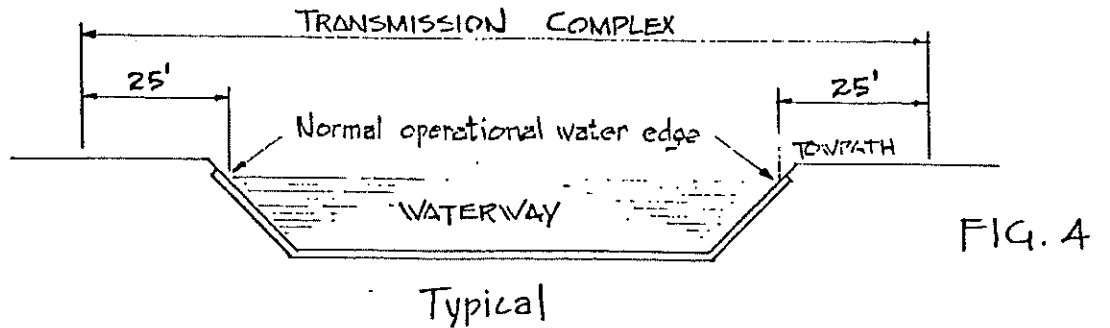
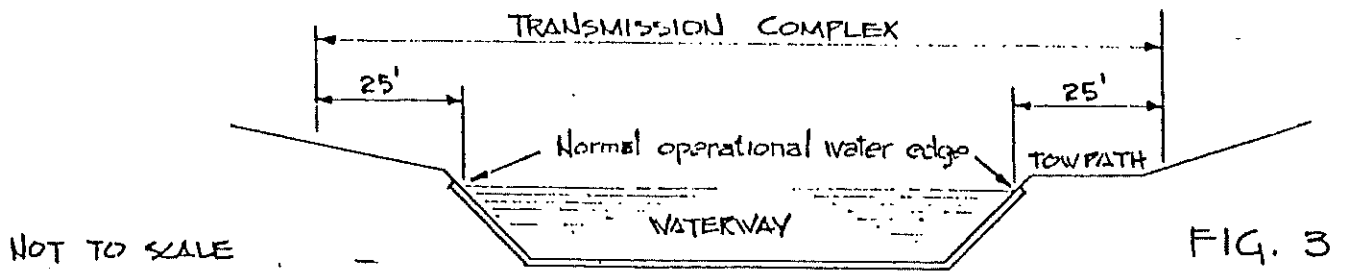
FIG. 8

NOT TO SCALE

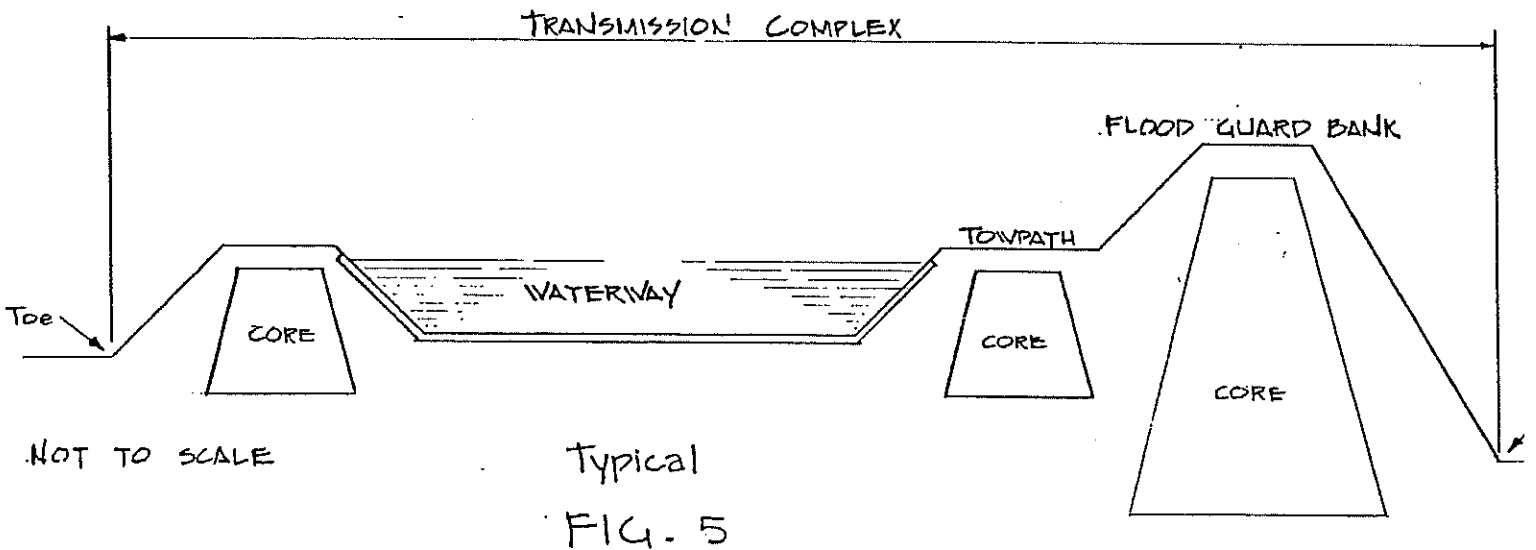
Additionally, in conformance with the applicable descriptions noted herein land on the discharge side of spillways and waste gates to the State property line shall also be considered as part of the Transmission Complex property.

Where small land segments, impractical to separately administer and maintain are created by the application of the limits described herein, the "lease line" shall then be extended to include these lands.

Condition II (Continued):



Condition III: Where a flood guard bank exists concurrently with the towpath, the limit shall include the flood guard bank to "toe of slope" assuming that it is entirely within State property (fig. 5).



SCHEDULE B

AGREEMENT FOR THE DEVELOPMENT,
MAINTENANCE AND OPERATION OF
THE DELAWARE AND RARITAN CANAL
TRANSMISSION COMPLEX AS A
WATER SUPPLY FACILITY AND
FOR PUBLIC RECREATION, CONSERVATION
AND HISTORIC PURPOSES AS PART OF THE
DELAWARE AND RARITAN CANAL STATE PARK

This Agreement is made and entered into this 17th day of
June, 1986 between:

STATE OF NEW JERSEY
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Labor & Industry Building
CN 404
Trenton, New Jersey 08625

hereinafter referred to as the "Department," and

NEW JERSEY WATER SUPPLY AUTHORITY
Post Office Box 5196
Clinton, New Jersey 08809

hereinafter referred to as the "Authority," and approved by

DELAWARE & RARITAN CANAL COMMISSION
Prallsville Mills
P.O. Box 529
Stockton, New Jersey 08559-0539

hereinafter referred to as the "Commission."

WHEREAS, since the State of New Jersey acquired title to the Delaware and Raritan Canal in 1934, pursuant to N.J.S.A. 13:13-1 et seq., the Canal has been maintained and operated by the Department of Conservation and Economic Development and its successor, the Department of Environmental Protection, both as a water supply source and for recreational purposes in accordance with N.J.S.A. 13:13-12.1; and

WHEREAS, in 1974, the State Legislature declared in N.J.S.A. 13:13A-1 et seq., that the Canal is a vital source of water supply and is of historic, ecological and recreational value to the public and thereby created the Delaware and Raritan Canal State Park consisting of the canal and State-owned lands along the canal banks and empowered the Department; subject to the approval of the Commission, to take such measures as may be necessary to preserve, maintain and operate the Park for public recreation and conservation purposes; and

WHEREAS, subsequent to the creation of the Delaware and Raritan Canal State Park, the Department administered the Canal through the Division of Water Resources for water supply purposes and through the Division of Parks and Forestry for recreation and conservation purposes with the Division of Water Resources retaining administration of the Delaware and Raritan Canal Transmission Complex (hereinafter referred to as the Transmission Complex) consisting of the canal waterway, embankments, flood guard banks, flood guard dikes, hydraulic and flow control structures, and land necessary to operate and maintain the Delaware and Raritan Canal as a water supply facility; and

WHEREAS, the State Legislature created the Commission pursuant to N.J.S.A. 13:13A-11 et seq. and empowered the Commission to review and approve, reject or modify any State project planned or State permits issued for the Canal Park, including the area known as the Transmission Complex; and

WHEREAS, the State Legislature created the New Jersey Water Supply Authority pursuant to N.J.S.A. 58:1B-1 et seq. and empowered the Authority to operate and manage the Transmission Complex as a water supply facility pursuant to the same statutory authorizations enabling the State to operate and manage the facility; and

WHEREAS, by Lease Agreement dated June 17, 1986 the Department leased to the Authority all the land and improvements comprising the Transmission Complex; and

WHEREAS, the Department has reserved in said Lease Agreement the right of access to and use of all land, facilities and structures within the Transmission Complex related to the historic, natural and recreational use of the Canal for management, maintenance, development and operation of the Canal as part of the Delaware and Raritan Canal State Park; and

WHEREAS, it is in the best interests of the public for the Authority, the Department and the Commission to define their respective responsibilities to ensure the continued development, maintenance and operation of the Transmission Complex as a water supply facility and for recreation, conservation and historic purpose in accordance with pertinent statutory authority,

NOW THEREFORE, that Authority and the Department hereby agree as follows:

I. OPERATION AND MAINTENANCE

- A. The Authority shall exercise the following operation and maintenance responsibilities in a manner that preserves, protects and recognizes the historic, natural and recreational purposes of the Canal and the Canal Park.
 1. Repair, construction and reconstruction of embankments, dams, waterway, spillways, drainage and hydraulic structure, towpaths, maintenance buildings

and flow control structures as required for water supply purposes.

2. Removal and proper disposal of debris and silt from the Canal waterway and natural streams and drainage ditches adjacent and tributary to and under the Canal as required for water supply purposes.
 3. Removal and disposal of all floating debris and trash from within the water conduit. The operations and maintenance of all hydraulic control structures within the Transmission Complex to assure proper operating levels, uninterrupted water supply and the structural integrity of the Canal.
 4. The control and maintenance of all facilities required for the water supply operation of the Canal within the Transmission Complex.
 5. The coordination of repairs and maintenance of culverts maintained jointly with County and Local Government agencies or the New Jersey Department of Transportation.
 6. The control of all abandoned railroad bridges and non-recreational pedestrian bridges within the Transmission Complex unless the Department rehabilitates same. Unless specifically required for water supply purposes, the Authority will not be required to improve said bridges. The Department shall have the right to use any abandoned railroad bridge for recreation purposes. The Authority shall not remove any of said bridges that are under its control without first obtaining the written approval of the Commission and giving the Department written notice of its intent at least sixty (60) days before commencing removal.
 7. The repair and maintenance of fencing or safety railing within the Transmission Complex.
 8. The mowing of all areas within the Transmission Complex except those areas adjacent to the towpath and recreational nodes.
 9. All snow removal and other snow/ice control measures necessary within the Transmission Complex except for recreational and historical areas and towpaths, trails or paths.
 10. All aquatic weed control in the Transmission Complex.
- B. The Department shall exercise the following maintenance and operation responsibilities in a manner that is consistent with the use of the Transmission Complex by the

Authority as a water supply facility and with the Delaware and Raritan Canal State Park Master Plan.

1. The operation, maintenance and development of designated historic, natural and recreation areas of the Delaware and Raritan Canal State Park within the Transmission Complex.
2. The collection and disposal of all debris and garbage from all designated recreation, natural and historic areas within the Transmission Complex, excluding the water surface.
3. The maintenance of all pedestrian bridges within the Transmission Complex which are primarily for recreational use.
4. Mowing and weed control within the Transmission Complex adjacent to the towpath and other trails and within designated recreation and historic areas.
5. All snow removal and other snow/ice control measures in all designated recreation and historic areas including access paths and recreational parking areas as the Department determines to be necessary for recreational use.

C. Joint Responsibilities of the Department and the Authority.

1. Whenever activities by either the Department or the Authority cause damage to the Transmission Complex, the designated recreational, historical and natural areas therein maintained and operated by the Department pursuant to this Agreement, and adjoining State-owned property administered by the Department as part of the Delaware and Raritan Canal State Park, the party causing said damage, shall, with the approval of the Commission, repair and restore the damaged area in a manner which recognizes, protects and is consistent with the historic, ecological and recreational significance of the Canal and the Canal Park and is consistent with the maintenance and operation of the Transmission Complex as a water supply facility. In the event that the damage is not repaired in a timely manner, the party causing said damage shall, upon receipt of written notice from the party sustaining the damage, or from the Commission, repair the damaged area within thirty (30) days after receipt of said notice. If it is anticipated by the party receiving notice that the damage will not be repaired within thirty (30) days after receipt of said notice or if the damage is not repaired within said period, the party receiving

notice must give the party sustaining the damage and the Commission a written schedule for completion of the repairs. If the damage is not repaired within the scheduled period, the party sustaining the damage may make the repairs at the cost and expense of the other party, which cost and expense and other party agrees to pay upon demand.

2. The parties will prepare a yearly tree removal and trimming plan with the approval of the Commission. The omission of a new plan being prepared in any one year shall imply that the prior year's plan will remain in effect for an additional year.

II. ACCESS

- A. The Authority shall have a right to enter and exit the Transmission Complex for the purpose of operations, maintenance and security on a daily basis via all existing points routinely maintained by the Department for access. Except for emergency conditions, the Authority must coordinate with the Superintendent of the Delaware and Raritan Canal State Park before crossing any parkland for access to the Transmission Complex.
- B. In the event of an emergency condition, such as an embankment washout, culvert failure or any other threatening or deteriorating condition which may lead to a public emergency due to disruption in the transmission of water through the Canal, the Authority shall have the right to enter onto Department's lands to inspect and correct said condition. The Authority shall immediately notify the Superintendent of the Delaware and Raritan Canal State Park.
- C. The Department shall have the right of access to the towpath by vehicle or otherwise to provide daily repairs, maintenance and security.
- D. The Authority shall not interfere with the continuity and use of the Delaware and Raritan Canal Towpath or other trails used throughout the Transmission Complex for recreational purposes, but the Authority reserves the right to temporarily disrupt the towpath or other trails for maintenance of the Transmission Complex. Except for emergency conditions, the Authority must first coordinate with the Superintendent of the Delaware and Raritan Canal State Park before any disruption of the towpath. In the event of an emergency, the Authority shall immediately notify the Park Superintendent and the Commission. In the event of any disruption of the towpath or other trails, the Authority shall be responsible for security of the disturbed area.

- E. The Department shall be responsible for the security locking system of all gates for ingress and egress to the Delaware and Raritan Canal State Park and shall provide the Authority with adequate keys for use by authorized employees of the Authority and authorized Authority contractors. The Department's regulations governing key distribution shall apply.
- F. The Department shall be responsible for the installation and repair of security gates within the Transmission Complex. The Authority will share in the cost of the security locks and gates when both parties have a mutual interest in the maintenance of the gate and lock.

III. LIABILITY

- A. The Authority shall assume liability for all claims resulting from its maintenance and operation of the Transmission Complex as a water supply facility. The Department shall assume liability for all claims resulting from its maintenance and operation of the Transmission Complex for authorized recreational, historical and environmental purposes.

IV. PROPERTY USE AGREEMENTS

- A. Unless specifically identified separately, all structures, leases and special use permits within the Transmission Complex are to be maintained and administered by the Authority except for recreational or historic concession agreements, leases and special use permits which shall remain under the administration of the Department. The Authority will transfer all leases and special use permits which are not entirely within the Transmission Complex to the Department. In the event that the property which is the subject of a lease or special use permit is located both within and without the Transmission Complex, the agreement shall be administered by the Department, unless the parties mutually agree otherwise. The Department shall require that all concessionaires, tenants and permittees pursuant to agreements administered by the Department, indemnify and save harmless the Authority and name the Authority as an additional insured.
- B. The Authority will retain administration of all agreements for pipeline crossings of the Canal which affect the structural integrity of the Transmission Complex. No such agreement may be amended, modified or revised and the pipeline may not be replaced, revised or additional pipelines installed without first obtaining the written approval of both the Commission and Department based upon a determination that the proposed amendment, modification or revision of the agreement and/or the proposed repair, replacement or revision of the pipeline will not adversely impact on the recreational and historical aspects

of affected property within the Transmission Complex and adjoining State-owned property comprising part of the Delaware and Raritan Canal State Park and is consistent with the Delaware and Raritan Canal State Park Master Plan.

- C. Except for agreements for pipeline crossings, the Department shall administer all easements and other right-of-way agreements which affect the designated areas within the Transmission Complex managed by the Department for recreation, conservation or historic purposes and/or adjoining State-owned property comprising part of the Delaware and Raritan Canal State Park. No such agreement may be amended, modified or revised without first obtaining the written approval of both the Commission and the Authority based upon a determination that the proposed amendment modification or revision will not adversely affect the structural integrity of or the maintenance and operation of the Transmission Complex as a water supply facility and is consistent with the Delaware and Raritan Canal State Park Master Plan.
- D. No lease, special use permit, easement or any other agreement pertaining to use of any property or improvement within the Transmission Complex shall be executed without first obtaining written approval thereof by both the Department, the Authority and the Commission. Approval by the Department shall be based solely upon a determination by the Department that the proposed agreement will not adversely affect the structural integrity of or the maintenance and operation of the Transmission Complex as a water supply facility. Approval by the Commission shall be based upon the conformance of the proposed agreement with the Delaware and Raritan Canal State Park Master Plan and subsequent planning documents adopted by the Commission. Written approval shall not be required for special use permits for a term not to exceed two (2) days. The party issuing such a special use permit shall advise the other party of such issuance.

V. LAW ENFORCEMENT

- A. The Department shall be responsible for enforcement of pertinent statutes and regulations within those designated areas of the Transmission Complex managed by the Department for recreation and conservation purposes pursuant to this Agreement.
- B. The Authority shall be responsible for enforcement of pertinent statutes and regulations governing the areas of the Transmission Complex managed by the Authority for water supply purposes.

VI. PLAN OR IMPLEMENTATION OF THIS AGREEMENT

- A. The Department and the Authority and the Commission shall within six (6) months after the effective date of this Agreement mutually agree to a plan for implementation of this Agreement. Said plan shall include but not be limited to the following:
1. Identification of all designated land and water areas and improvements within the Transmission Complex that are to be managed by the Department for natural, recreational and historical purposes.
 2. Identification of the specific land areas and improvements within the Transmission Complex in which each party will perform its maintenance and operation responsibilities set forth in Section I of this Agreement.
 3. Identification of existing Department access points for routine use by the Authority for access to the Transmission Complex across land administered by the Department as part of the Delaware and Raritan Canal State Park.
 4. Identification of property, buildings, facilities, improvements, work areas, parking and turning areas, and utility agreements outside of the Transmission Complex and within the Delaware and Raritan Canal State Park which the Authority shall be permitted to utilize and maintain for water supply operational purposes.
 5. Identification of all leases, special use permits, easements and other agreements pertaining to the use of land and improvements within the Transmission Complex that are to be administered by the Authority and the Department.

As agreed upon the Authority, the Department and the Commission, said plan shall be attached to and made a part of this Agreement as Exhibit A and neither the Authority nor the Department can amend, modify, revise or deviate from said plan without first obtaining the written approval thereof by the other party and the Commission.

VII. COORDINATION

- A. Prior to the commencement or letting of any contract for construction within the Transmission Complex or on adjoining State-owned property comprising part of the Delaware and Raritan Canal State Park which will affect the Transmission Complex, the Department shall include the Authority in the review and development of plans and specifications and shall obtain written approval from the

Authority of the final plans and specifications. Approval by the Authority shall be based solely on a determination of whether the proposed construction will adversely affect the structural integrity of the Transmission Complex or whether it will significantly interfere with the ability of the Authority to manage, develop, maintain and operate the Transmission Complex as a water supply facility.

- B. Prior to the commencement or letting of any contract for construction within the Transmission Complex, which will affect the management, maintenance, development and operation of the Transmission Complex by the Department for recreation, conservation and historic purposes, the Authority shall include the Department in the review and development of plans and specifications and shall obtain written approval from the Department of the final plans and specifications. Approval by the Department shall be based solely on a determination of whether the proposed project will have a significant adverse affect on the ability of the Department to manage, maintain, develop and operate the Transmission Complex for public recreation, conservation and historic purposes.
- C. Prior to the commencement or letting of any contract for construction within the Transmission Complex or adjoining State-owned property comprising part of the Delaware and Raritan Canal State Park by either the Authority or the Department, the sponsoring agency shall include the Commission in the review and development of plans and specifications and shall obtain written approval from the Commission of final plans and specifications. Approval by the Commission shall be based upon the conformance of the proposed project with the Delaware and Raritan Canal State Park Master Plan and subsequent planning documents adopted by the Commission.
- D. All proposed encroachments within the Transmission Complex such as pipelines, foot bridges, docks, vehicle bridges, power lines and drainage facilities shall be subject to prior written approval by the Authority, the Department and the Commission.
- E. The removal of trees exceeding four (4) inches in diameter d.b.h. and all landscaping within the Transmission Complex shall be subject to prior approval by the Authority, Department and the Commission.
- F. The Authority and the Department shall advise each other and the Commission of all proposed property acquisitions.
- G. The Department, in coordination with the Authority and the Commission, shall prepare and disseminate public relations materials, historical data and other promotion-

al material pertaining to the Canal and shall prepare a detailed program for the standardization of all signs within the Delaware and Raritan Canal State Park.

- H. The Authority and the Department shall develop and insure distribution of adequate instructions to contractor(s) advising of the water supply, recreation, conservation and historic aspects of the Canal which must not be impaired during work on any project(s) and insure that contractors are informed of these requirements and enforce same.
- I. The Authority and the Department shall negotiate repairs to those bridges which serve both a water supply and a recreational function with the determination of cost to each party based upon the relative use of the structure.
- J. The Department and Authority shall establish a committee which shall meet at least once every six (6) months for the purpose of coordinating the implementation and performance of this Agreement and to discuss proposed maintenance and construction projects. Said committee shall include a representative of the Commission.
- K. The Authority and the Department shall periodically instruct their employees on the terms and conditions of this Agreement to assure that they understand their responsibilities hereunder.

VIII. STATUTES AND REGULATIONS

- A. The Department and the Authority shall implement their respective responsibilities under this Agreement consistent with all statutes and regulations pertaining to the development, maintenance and operation of the Delaware and Raritan Canal as a water supply facility and as a State Park Master Plan and subsequent planning documents adopted by the Commission.

THIS AGREEMENT shall not be terminated, modified or rescinded without the express written consent of both the Department and the Authority. Any modifications to the terms and conditions of this Agreement must also be approved by the Commission.

THIS AGREEMENT represents the entire agreement between the parties; all negotiations, oral agreements and understandings are merged herein.


ALL rights and liabilities herein given to or imposed upon either of the parties hereto shall extend to the successors and assigns of such party.

IN WITNESS WHEREOF, the said parties have duly executed this Agreement the day and year first above written.

STATE OF NEW JERSEY
Department of Environmental
Protection

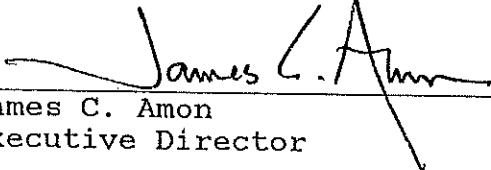
By: 
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NEW JERSEY WATER SUPPLY AUTHORITY

By: 
Rocco D. Ricci, P.E.
Executive Director


Approved:

DELAWARE & RARITAN CANAL COMMISSION

By: 
James C. Amon
Executive Director

Reviewed and Approved as to Form:

W. CARY EDWARDS
Attorney General of New Jersey

By: 
George P. Cook
Deputy Attorney General